



Health Services

LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Deputy Director Strategic Planning

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Los Angeles, CA 90012

Tel: (213) 240-8101
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www.dhs.lacounty.gov

*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles
County residents through direct
services at DHS facilities and
through collaboration with
community and university
partner*



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May 28, 2014

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH
SERVICES' USE OF DELEGATED AUTHORITY TO
EXTEND AND MAKE A NON-SUBSTANTIVE CHANGE
TO THE AWARD FROM THE DEPARTMENT OF
HEALTH AND HUMAN SERVICES TO PROVIDE
HANSEN'S DISEASE OUTPATIENT MEDICAL
SERVICES AT LAC+USC MEDICAL CENTER**

This is to advise the Board that the Department of Health Services (DHS) exercised its delegated authority, approved on September 24, 2013 (attached), to accept and sign any U.S. Department of Health and Human Services Health Resources and Services Administration National Hansen's Disease Program (HRSA) documents needed to effectuate the annual option to extend the term of the Award or to make a non-substantive change to the Award from HRSA to provide Hansen's disease outpatient medical services at LAC+USC Medical Center (LAC+USC MC) subject to review by County Counsel.

I previously advised the Board by memo dated January 15, 2014 that HRSA extended the initial term of the Award for a three month period, January 1, 2014 through March 31, 2014. This deviated from the expected annual option period. On March 31, 2014, HRSA notified DHS that a \$252,390.60 payment would be made and accompanied by Amendment No. 3 to the Award Agreement for the period, April 1 – December 31, 2014. This Amendment confirms the 2014 annual award amount as expressed in the September 24, 2013 approved Board letter.

DHS will continue to receive funding from HRSA, helping defray approximately 67 percent of the cost of providing Hansen's disease diagnosis, outpatient treatment, case management, follow-up of persons diagnosed with Hansen's disease, and screening of any person who has lived in the same household with a new Hansen's

The Honorable Board of Supervisors
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disease patient in the three year period prior to the diagnosis and the beginning of treatment. The remainder of the cost is covered by Medi-Cal revenues and existing operating budgets. Hansen's disease is more commonly known as leprosy.

Care for patients with Hansen's disease has been provided at LAC+USC MC since July 1973 and since 1981, the federal government has been providing funding for the Hansen's disease outpatient medical services program.

County Counsel has reviewed the Amendment and approved as to form

If you have any questions or require additional information, please let me know

MHK:rf

Board letter hansens disease delegated authority notification 2014 05 28

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Service
LOS ANGELES COUNTY

September 17, 2013

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Los Angeles County
Board of Supervisors

23 September 24, 2013

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION TO ACCEPT AN AWARD AND FUTURE AWARDS
FROM THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
TO PROVIDE HANSEN'S DISEASE OUTPATIENT MEDICAL
SERVICES AT LAC+USC MEDICAL CENTER
(FIRST SUPERVISORIAL DISTRICT)
(3 VOTES)**

SUBJECT

Authorization for the Department of Health Services to accept an Award and future awards from the Department of Health and Human Services' National Hansen's Disease Programs for the continued provision of outpatient medical services to patients with Hansen's disease at LAC+USC Medical Center.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize and instruct the Director of Health Services (Director), or his designee, to accept and sign an Award Number HHS258201300015C (Award), substantially similar to Exhibit I, from the U.S. Department of Health and Human Services Health Resources and Services Administration's National Hansen's Disease Program (herein "HRSA") to receive: i) \$89,738.88 for provision of outpatient medical services to Hansen's disease patients at LAC+USC Medical Center (LAC+USC MC) effective upon Board approval through December 31, 2013; and ii) \$336,520.80 annually for each annual option exercised by HRSA to extend the Award, for an estimated total award of \$1,435,822.08 for the period through December 31, 2017.
2. Delegate authority to the Director, or his designee, to accept and sign any HRSA documents needed to effectuate the options to extend the term of the Award or to make non-substantive

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changes to the Award, subject to review and approval by County Counsel.

3. Delegate authority to the Director, or his designee, to accept and sign future awards from HRSA for the continued treatment of Hansen's disease patients, as well as any documents to extend or otherwise non-substantively change such awards, subject to review and approval by County Counsel, and with notice to the Board and Chief Executive Office (CEO)

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will allow the Department of Health Services to continue to receive funding from HRSA, helping defray approximately 67 percent of the cost of providing Hansen's disease diagnosis, outpatient treatment, case management, follow-up of persons diagnosed with Hansen's disease, and screening of any person who has lived in the same household with a new Hansen's disease patient in the three year period prior to the diagnosis and the beginning of treatment. Hansen's disease is more commonly known as leprosy.

Care for patients with Hansen's disease has been provided at LAC+USC MC since July 1973 and since 1981, the federal government has been providing funding for the Hansen's disease outpatient medical services program.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness, and Goal 2, Fiscal Sustainability, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total award is in the amount of \$1,435,822.08 effective upon Board approval through December 31, 2017. The annual program cost is \$501,619.80, funded by \$336,520.80 in HRSA funds, estimated Medi-Cal Revenue of \$39,535 and net County cost of \$125,564. Attachment A provides detail of the award. Funding is included in the Fiscal Year 2013-14 Adopted Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The federal Hansen's disease program is authorized by Public Law 99-117, Section 2 (a), Section 320 and is administered by the Department of Health and Human Services in accord with their regulations. When the federal government closed its public health hospitals in 1981, a contract care program was developed to provide services in communities where the majority of people with Hansen's disease were identified as residing. As a result, outpatient Hansen's disease clinics formed in California, Georgia, Florida, Illinois, Massachusetts, New York, Puerto Rico, Texas and Washington. Since

this time, LAC+USC MC is designated as a regional center with a catchment area that includes the following counties: Kern, Orange, San Luis Obispo, Santa Barbara, San Bernardino, Tulare and Ventura. The two other California regional centers are in San Diego and San Francisco.

Since 1981, the Board has approved acceptance of HRSA awards for the continued provision of this program. The most recent approval was on March 6, 2007, which extended the provision of services through December 31, 2009. While funds were received for the provision of uninterrupted services for Hansen's disease for the period January 1, 2010 through September 24, 2013, the funds were accepted by LAC+USC MC without approval of the Board. LAC+USC MC staff mistakenly accepted the award without following the Board's contract acceptance guidelines. Steps have been taken to remind LAC+USC MC staff regarding the bodies, and representatives thereof, that are legally authorized to contract on behalf of the County of Los Angeles (including those which bring revenue to the County).

Services have continued to be provided uninterrupted and the federal government has been providing funding to support the program throughout this time period.

Board approval of the recommended actions will authorize the acceptance of the award from HRSA to help support the continued provision of Hansen's disease outpatient medical services at LAC+USC MC for individuals in the Los Angeles catchment area with the central goal of preventing disability through early diagnosis and treatment.

County Counsel has approved the attached Award, Exhibit I, as to form.

CONTRACTING PROCESS


The County receives funds from HRSA to provide medical care to Hansen's disease patients, therefore the County's contracting process is not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the recommended actions will allow LAC+USC MC to continue receiving funds to provide vital outpatient medical services to Hansen's disease patients to prevent disability through early diagnosis and treatment.

The Honorable Board of Supervisors
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Respectfully submitted,



Mitchell H. Katz, M.D.
Director
MHK:rf

Enclosures (2)

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

ATTACHMENT A

**CONTRACT AWARD WITH THE DEPARTMENT OF HEALTH AND HUMAN
SERVICES TO PROVIDE HANSEN'S DISEASE OUTPATIENT MEDICAL SERVICES
AT LAC+USC MEDICAL CENTER FOR THE PERIOD**

EFFECTIVE UPON BOARD APPROVAL* – DECEMBER 31, 2017

PERIOD	DATE	AMOUNT
Base	Effective upon Board approval - December 31, 2013	\$ 89,738.88
Option Period One	January 1, 2014 - December 31, 2014	\$336,520.80
Option Period Two	January 1, 2015 - December 31, 2015	\$336,520.80
Option Period Three	January 1, 2016 - December 31, 2016	\$336,520.80
Option Period Four	January 1, 2017 - December 31, 2017	\$336,520.80
	TOTAL -	\$1,435,822.08

*Board of Supervisors approval is anticipated to be on September 17, 2013